

## DEPARTMENT OF BENEFIT PAYMENTS

744 P Street, Sacramento, CA 95814



April 8, 1975

ALL-COUNTY LETTER NO. 75-79

TO: COUNTY WELFARE DIRECTORS  
COUNTY BOARD OF SUPERVISORS  
COUNTY AUDITORS  
COUNTY DATA PROCESSING MANAGERS  
COUNTY ADMINISTRATIVE OFFICERS  
COUNTY DISTRICT ATTORNEYS

SUBJECT: WELFARE ELECTRONIC DATA PROCESSING

REFERENCE: CIRCULAR LETTER NO. 2580

The Department of Health, Education, and Welfare has issued a directive to enforce the prior approval requirements relating to electronic data processing, that HEW issued to the state in 1971. These requirements were issued to the counties June 23, 1972, in Circular Letter No. 2580.

This letter is to remind all counties that in the request for approval of EDP Systems the three step process of submitting a statement of problem letter, a study-in-depth and a systems packet as described in Circular Letter No. 2580 must be followed. The statement of problem letter must be approved prior to spending money on a study-in-depth. The study-in-depth must be approved prior to spending money on the system and/or equipment proposed. Once the study has been approved and the system and/or equipment is installed, a system packet must be submitted within the fiscal quarter of implementation.

The HEW directive states that a review of California county requests for federal financial participation (FFP) reveals that expenditures and claims for FFP are being made before HEW approval is given. The directive further states that such claims for FFP made prior to HEW approval leave the counties open to possible audit exception. In addition, the directive states that any further late or retroactive requests for approval of FFP in systems and/or equipment will be disapproved if expenditures or claims have been made.

The same prior approval requirement applies when it is known, by the county, that the amount of money approved for development, implementation, maintenance or operation of the system and/or equipment as previously estimated in the study-in-depth is going to be exceeded. No state and federal financial participation will be allowed in overexpenditures unless previously approved by the County EDP Systems Bureau and HEW.

Recent changes in federal regulations now allow FFP in Food Stamp and District Attorney Child Support Systems. When requesting state and federal financial participation in these systems, the same procedures outlined in Circular Letter No. 2580 for welfare public assistance systems must be followed.

GEN 654 (2/75)

I believe that the requirement for prior approval is a reasonable reflection of both state and federal responsibility for control of County Welfare EDP expenditures. The same procedures required for obtaining FFP will be followed in the granting of state financial participation in such systems.

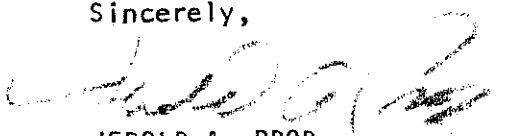
All requests for financial participation in county public assistance or District Attorney Child Support Systems should be directed to:

James W. Brown, Chief  
County EDP Systems Bureau  
State Department of Benefit Payments  
744 P Street, M.S. 14-61  
Sacramento, California 95814

If there are any questions related to this letter, please contact:

Ronald L. Bryant, Assistant Chief  
County EDP Systems Bureau  
Telephone: (916) 445-0180

Sincerely,



JEROLD A. PROD  
Acting Director

cc: CWDA